Concordia University

Board of Governors

Concordia Employee Benefits Committee

Meeting of Spetember 27, 1978

Attendance: Mr. H. Hemens, Chairman, Mr. A. Duff, Prof. A. Dickie, Prof. C. Goldman, Mr. W.M. Reay, Prof. G. Martin, Mr. C. Waters, Miss M.D. Johnson, Mr. P. Dufour, legal counsel, Messrs. Brochu and Morency of William M. Mercer Ltd.

Meeting of June 21st, 1978

Prof. Dickie pointed out that the first subparagraph "b" on page 2 of the minutes did not mention Registered Retirement Savings Plan. It should have read:

(b) "Where a reciprocal agreement did not exist, the University would transfer an equivalent amount as in (a) above to a new employer Pension Plan or Registered Retirement Savings Plans provided that such plans would agree that this portion would not be refundable and would be used exclusively to fund a retirement benefit."

It was proposed by Prof. Dickie that subject to the inclusion of this point, that the minutes be approved as circulated; it was seconded by Prof. Goldman and unanimously carried.

Ex-gratia Pensions

(1) YMCA participants

A memo had previously been circulated to members of the Committee and is attached to the minutes as appendix "A".

It was proposed by Mr. Duff, seconded by Prof. Dickie and unanimously carried, that the recommendations contained in the memo regarding delayed payment of cost of living adjustments be adopted.

(.../2)

(2) James Rooney

A memo regarding James Rooney had been circulated (Appendix "B"). Mr. Rooney had not been included in the general adjustments of July.

It was proposed by Prof. Dickie, seconded by Prof. Goldman and unanimously carried that Mr. Rooney be granted an ex-gratia pension of $55.39 to bring him into line with the other pensioners.

(3) Ruth Brown

A memo concerning Ruth Brown has been reproduced as appendix "C". As Ruth Brown was employed by the Jesuit Community, the Secretary was asked to contact this Community to find out if they would finance an ex-gratia pension for her.

Prof. Dickie commented that the 1978 ex-gratia payments did not start until July 1978 although the recommendation had been for an effective date of January 1st. He expressed concern that the practice of postponing effective dates might be repeated for future recommended adjustments resulting in a loss of purchasing power for the pensioners

Mr. Duff replied that many organizations reviewed pensions only every two or three years and that Concordia was doing better than that. He agreed that Prof. Dickie's point was valid and that the Committee should keep this in mind for future reviews.

Pension Plan Document

Mr. Dufour, Legal Counsel, advised the Committee that he had reviewed the Plan Text and suggested several changes to clarify the document which had been accepted by Mercer. There remained two questions of substance in the following sections.

Section 12.7

Mr. Dufour had difficulty with this section due to the fact that the Committee's reporting relationship with the Personnel Committee and the Board was vague. It was agreed that the Committee reported to the Board but that decisions and recommendations be routed through the Personnel Committee for information purposed only. The Personnel Committee does not have the power to accept, reject or modify an Employee Benefits Committee decision.

This section would be rewritten to reflect clearly this relationship.

Section 13.5

Mr. Dufour voiced his opinion that the Committee could have legal difficulties if it acted in accordance with this section on "facility of payment". It could find itself in the position of having made payment to the wrong party.

Mr. Hemens replied that the Committee could not divest itself entirely of this kind of risk; however, the powers accorded by this section would be used with extreme caution. He added that should the occasion arise, legal advice and medical evidence would be sought before making any such payment.

It was agreed by the Committee that this section be retained with full understanding of the risk involved.

Section 13.7

Mr. Morency reported that this section had been redrafted to reflect the exact wording of the Quebec Supplemental Pension Plans Act.

It was the general concensus that, subject to approval of the revised section 12.7, that the Document would be ready for Board approval. It was agreed that the final document would be circulated to the Committee members before the next meeting. It would then go to the Board in November.

Reciprocal Transfer Agreements

Mr. Brochu circulated a memo on the above subject. It has been attached as appendix "D" to the minutes.

A concensus was reached that "Alternatives" "A" and "B" entailed excessive costs which could not be supported at this time.

It was agreed that "Alternative C" be investigated more closely as to its practical and financial ramifications.

Actuarial Valuation

It was proposed by Prof. Dickie, seconded by Prof. Martin and unanimously carried, that the recommendations contained in the January 1st, 1978 Actuarial Valuation be approved.

The meeting terminated at 2:30 p.m. on a motion from Mr. Reay.

Colin Waters, Secretary